

Daily Market Brief

April 4th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD recovers to 1.0840 amid the weaker US Dollar. The sell-off in the DXY to 104.00 support after the weaker-than-expected US March ISM Services PMI data provide some support to the major pair. Eurozone HICP inflation fell further than expected in March, triggering the possibility that the ECB will cut rates in June. Investors await the final HCOB Services PMIs in Germany and the euro area, along with the US February Balance of Trade and weekly Initial Jobless Claims.

GBP/USD

GBP/USD hovers around 1.2650 during the Asian session on Thursday. The USD encountered challenges in the prior session following the release of mixed economic data from the US, which showed a stronger ADP Employment Change but softer ISM Services PMI figures. US Dollar faces downward pressure as several Fed officials have adopted a softer tone.

USD/JPY

The Japanese Yen is undermined by the BoJ's cautious outlook and a positive risk tone. Intervention fears might limit losses for the JPY and cap any further gains for USD/JPY. Traders also prefer to wait for a break of a short-term range ahead of the US NFP on Friday.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0846	1.0847	1.0833	0.09	0.53	-1.75
GBP-USD	1.2658	1.2660	1.2645	0.05	0.27	-0.57
USD-JPY	151.66	151.72	151.54	-0.03	-0.18	-7.00
USD-CHF	0.9035	0.9035	0.9027	0.07	-0.20	-6.87
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2297.98	2304.96	2296.38	-0.09	3.05	11.39
Silver	27.04	27.34	27.01	-0.53	8.32	13.63
Crude Oil	85.71	85.79	85.54	0.33	5.36	18.83
Bitcoin	65542.26	66380.41	65104.45	-0.30	-6.18	54.19
Etherium	3293.39	3334.15	3252.03	-0.42	-6.13	44.30
Period	1 M		3 M		12 M	
EURIBOR	3.86		3.88		3.66	
SOFR	5.32		5.31		5.07	
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.68		4.36		4.52	
BTP - BUND	0.58		1.46		1.81	
GILTS	4.21		4.06		4.56	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The Dow Jones Industrial Average ended Wednesday modestly lower as stocks struggled to shake off their Q2 malaise. ADP data released Wednesday showed private payrolls grew more than expected in March. It offered another sign of resiliency in the economy as investors grow increasingly concerned about the path of interest rate cuts from the Federal Reserve.

EUROPE

European markets closed higher Wednesday, shaking off some of the negative sentiment seen at the start of the new quarter after euro zone inflation fell more than expected. Prices in the 20-nation euro zone eased to 2.4% in March, according to flash figures, lower than the 2.6% forecast in a Reuters poll.

ASIA

Asia-Pacific stocks fell Wednesday, tracking declines on Wall Street overnight, with shares of electric vehicle makers dropping on demand worries. BYD shares fell 2.5% after the Chinese EV maker said its first-quarter sales plunged 43% quarter over quarter.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	39127.14	-0.11	0.35	3.81	39534.00	0.13
S&P	5211.49	0.11	1.57	9.26	5277.75	0.21
Nasdaq	16277.46	0.23	0.43	8.43	18434.00	0.33
DJ EuroStoxx50	5069.25	0.54	3.18	12.12	5025.00	0.00
FTSE 100	7937.44	0.03	3.89	2.64	7959.00	0.09
CAC 40	8153.23	0.29	2.47	8.09	8167.50	0.00
DAX	18367.72	0.46	3.68	9.65	18624.00	-0.03
IBEX 35	11032.30	0.52	9.56	9.21	11008.10	0.00
FTSE MIB	34480.87	0.45	4.77	13.60	33918.00	0.00
Nikkei	39451.85	0.93	-0.72	18.99	39840.00	0.81
Hang Seng	16725.10	-1.22	0.78	-1.89	16860.00	0.68
DFM General	4240.05	-0.69	-2.00	4.44	N/A	N/A
MSCI Tadawoul	12622.22	1.17	1.51	5.47	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.65	75.00	73.95	0.20	0.88	-16.22
Solidere B	74.00	74.00	74.00	0.00	1.93	-17.73

MUST READ

(Source: Bloomberg/ Forexlive)

Intel drops 8% after chipmaker reports heavy losses in semiconductors

Intel shares closed down 8% on Wednesday after the company disclosed long-awaited financials for its semiconductor manufacturing, or foundry, business, revealing an operating loss of \$7 billion in 2023. It was the first time Intel had reported revenue totals for its foundry arm alone, separating it from the products business, which reported \$11.3 billion in operating income in 2023. Intel said Tuesday that it expects its foundry losses to peak in 2024 and break even halfway between the current quarter and the end of 2030.

Amazon cuts hundreds of jobs in cloud computing unit

Amazon's cloud computing division is laying off hundreds of employees in its physical stores technology and sales and marketing units, the company confirmed Wednesday. Amazon's lucrative AWS unit has seen its sales growth decelerate in recent quarters as companies trimmed their cloud spend amid rising interest rates. The cuts to AWS' store technology team come after Amazon said it would remove cashierless checkout systems in its U.S. Fresh stores. Amazon continues to trim its headcount after more than a year of mass layoffs.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Resources Conne	RGP US	\$ 411.5M	04-Apr-24	Aft-mkt	0.08	0.37
Lamb Weston Hol	LW US	\$ 14.60B	04-Apr-24	Pre-mkt	1.43	1.43
Lindsay Corp	LNN US	\$ 1.27B	04-Apr-24	Pre-mkt	1.58	1.63
RPM Internationa	RPM US	\$ 15.27B	04-Apr-24	Pre-mkt	0.46	0.37
Simply Good Foo	SMPL US	\$ 3.25B	04-Apr-24	Pre-mkt	0.37	0.32

ECONOMIC CALENDAR

(04-04-24) UK - HCOB France Composite PMI
(04-04-24) US - Trade Balance
(04-04-24) US - Initial Jobless Claims
(05-04-24) DE - Factory Orders MoM
(05-04-24) FR - Industrial Production MoM
(05-04-24) CA - Unemployment Rate
(05-04-24) US - Change in Nonfarm Payrolls

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